

Appendix 3.25.5

DRAFT Option Evaluation Paper for Natural Environment Workstream - National Policy Statement for Freshwater Management

Introduction

1. The National Policy Statement for Freshwater Management 2011 (NPSFM) is a Central Government initiative which Council must give effect to within the context of the Resource Management Act (RMA). The NPSFM sets out objectives and policies directing local authorities to manage water in an integrated and sustainable way, while providing for economic growth within set water quantity and quality limits.
2. The NPSFM dictates an approach that is significantly different to current land and water environmental policy in the Auckland region as the regional plans (Air, Land and Water, Sediment Control and Farm Dairy Discharges) were developed on the use of the best practicable option and/or are activity based.
3. The NPSFM gives high-level direction on the outcomes sought - the setting of freshwater objectives with associated limits and targets. However, it is up to local government and local communities to determine what those objectives and limits should be and what methods should be used to achieve them. Maori participation and co-management is acknowledged as Council must work with iwi and hapu to identify and reflect tangata whenua values and interests in freshwater and freshwater ecosystems management.
4. Implementing the NPSFM will take time and new approaches are required. Council may implement the NPSFM by a programme of defined time-limited stages provided it is fully completed by 31 December 2030.
5. Water quality is a significant issue for the Auckland region. The largest contributor to water quality in urban areas is stormwater runoff from impervious surfaces. If not managed appropriately, stormwater runoff can cause flooding, stream bank erosion and the contamination of estuaries, rivers, lakes, groundwater aquifers and coastal waters with sediment, heavy metals and petroleum products.

Sediment is a significant water quality issue for the region in both the urban and rural environments. Urban development practices typically involve significant earthworks during initial greenfield subdivision and subsequent small site development (or re-development). These activities often include modification and destruction of natural features such as stream channels, vegetation (including within riparian areas), and wetland areas, all of which exacerbate sediment runoff. In rural areas, poor horticultural and pastoral farming practices, including uncontrolled stock access to streams, can be a significant sediment source.

Strategic Direction

6. The Auckland Plan has five directives closely aligned with the management of freshwater quality.

Directive 5.4 Protect ecological areas, ecosystems and areas of significant indigenous biodiversity from inappropriate use and development, and continue to restore and improve ecosystems and indigenous biodiversity.

Directive 5.7 Set appropriate limits on pollutants to achieve water quality improvements.

Directive 5.9 Protect nationally and regionally significant freshwater from land based development and enhance less significant and degraded areas.

Directive 5.11 Protect coastal areas, particularly those with high values, special natural character or significant marine habitats and recreational importance, from the impacts of land based development.

Directive 7.5 Apply pre-conditions to future growth of rural towns and villages as follows:

... avoid negative environmental impacts ...

7. The Auckland Plan gives clear direction to protect, restore and improve ecosystems (Directive 5.4) and avoid negative environmental effects of rural growth (Directive 7.5). Directive 5.11 recognises that land-based activities impact coastal areas. Collectively, these directives indicate a lower tolerance of environmental degradation than has previously been the case in Auckland. In that regard, the Auckland Plan gives effect to both the NPSFM and the New Zealand Coastal Policy Statement 2010 (NZCPS).

RMA Implications

8. The RMA imposes an obligation in section 55 on local authorities to “give effect to” the provisions of the NPSFM by:
 - amending plans and policy statements to include specified objectives and policies; and
 - making amendments to relevant plans and policy statements as needed to give effect to other provisions of the NPSFM.
9. Under section 62 of the RMA a Regional Policy Statement must not be inconsistent with an NPS. Under section 67 a regional plan must give effect to an NPS and under section 75 a district plan must give effect to an NPS. There is no discretion in giving effect to the NPSFM.
10. The Regional Air, Land and Water Plan (ALWP) provisions for land and water management use Best Practicable Option (BPO) and/or are activity based. However, the NPSFM dictates an approach that is based on the setting of freshwater objectives with associated limits and targets (where water quality is degraded and needs to be improved). The BPO and limit setting approaches are not incompatible but Council will need to address:
 - (a) Water quality:
 - set quality limits for all waterbodies and impose appropriate conditions on discharge consents;
 - avoid over-allocation – namely don’t exceed the assimilative capacity of waterbodies;
 - set targets to improve degraded waterbodies;
 - develop rules to “minimise” adverse effects of contaminants.

- (b) Water quantity:
- set environmental flows for all waterbodies (minimum stream flows and groundwater levels/pressures and allowable volumes of abstraction);
 - provide for efficient allocation and use of fresh water;
 - ensure no future over-allocation and phasing out any existing over-allocation;
 - review current permits and consents.
- (c) Integrated management of freshwater and land use and associated interactions (ecosystems and the coastal environment) – Policy C1 of the NPSFM. Council will need to ensure that freshwater and land use provisions achieve integrated management, including avoiding, remedying and mitigating cumulative effects. In simple terms, this means managing urban and rural land use in such a way that water quality limits are not exceeded and water quality targets can be achieved over time¹.
- (d) Integrated management of land use and freshwater including encouraging the co-ordination and sequencing of regional and/or urban growth, land use and development and the provision of infrastructure. Council will need to ensure that the Regional Policy Statement provides for integrated management to the extent outlined in Policy C2 of the NPS.

Policy Approaches

Option 1: Status Quo

11. The existing Regional Plan: Air, Land and Water; Regional Plan: Sediment Control; and Regional Plan: Farm Dairy Discharges were based on the use of Best Practicable Option (BPO) and/or are activity based. BPO does not require specific water quality standards to be achieved. Rather it allowed for discharges to be treated (or remain untreated) to various degrees depending on costs, technical constraints and the nature of the waterbody.
12. The recent introduction of two national policy statements, to which the Council must give effect, will have a significant impact on the management of land and water resources, namely:
 - The NPSFM requires the setting of freshwater objectives and water quality and quantity limits (including numerical water quality targets or standards) for every freshwater body in the region.
 - The NZCPS which has a number of policies that either directly or indirectly influence the management of stormwater e.g. reducing contaminant and sediment loadings in stormwater at source, through contaminant treatment and by controls on land use activities.
13. These national policy statements mean that the historical BPO approach to managing stormwater, which is currently firmly embedded in the ALWP is no longer appropriate and its use must be phased out by 2030 at the latest. Plan provisions to manage sediment discharges will require new effects-based management approaches (aimed at meeting water quality objectives and receiving environment

limits – otherwise known as water quality standards) as opposed to the current activity-based approach.

14. There is no discretion in giving effect to the NPSFM; however Auckland Council can decide how and when this would be done through the Unitary Plan.

Option 2: Implementation of the NPSFM

15. Under the NPSFM Council is required to identify freshwater objectives for water bodies and set limits and targets. This includes:
 - determining the values (existing and aspirational) the community has for all fresh water bodies;
 - involving iwi and hapu in the identification of their values and interests in the management of fresh water and freshwater ecosystems in the region;
 - setting freshwater objectives in relation to those values – this may be to maintain the existing values or to enhance water quality so that other aspirational values can be realised;
 - setting water quality and quantity limits and targets to achieve the objectives;
 - developing methods and tools (including comprehensive suites of rules) to enable the limits and targets to be met;
 - developing policy to ensure the integrated management of freshwater, land use, development within catchments and the coastal marine area.
16. There is an opportunity through the first iteration of the Unitary Plan to develop values and freshwater objectives, including at source controls that build on the existing provisions in some of the district and regional plans. Options for managing sediment discharges include better land management practices such as stock exclusion from waterbodies.

Recommended Policy Approach

Implement the NPSFM in the Unitary Plan. The suggested approach for the Unitary Plan is:

1. Identify and map the values of the region's water bodies by assessing their current state and use, together with any potential for enhancement. The NPSFM contains a list of national values that can guide this exercise.
2. Define **objectives** for each water body. These should be simple and measureable and relate to the environmental outcomes to support the values that are to be maintained or enhanced.
3. **Prioritise the region's catchments** by identifying where the values are most highly held by the community or where existing water quality is the most degraded. The policies and methods that follow should address the highest priority catchments first.
4. Develop **policies** that define how the objective will met. For example develop policies to manage point and non-point source discharges.
5. Develop **methods** to implement the policies. For example, regulatory methods such as numerical **physio-chemical parameters** for use in water quality limits and targets e.g. sediment, heavy metals and faecal bacteria. Where existing water quality does not exceed the numerical parameters those parameters should be set as **limits** in the Plan. Where the parameters are exceeded they should be set as **targets** in the Plan to be achieved over time. The Plan should set out how the targets will be achieved – namely what actions are required to improve the degraded water quality.

6. Define measurable **anticipated environmental results** that will demonstrate that the **objectives** are being met.

Methods

Regulatory Methods

- (a) Include limits and targets within rules as methods to achieve objectives and policies.

Benefits/Advantages	Costs/Disadvantages
<ul style="list-style-type: none"> • Limits and targets provide certainty on desired environmental outcomes and therefore what is expected from resource users. • They are measurable, provide benchmarks to measure cumulative effects and the effectiveness of plans. • Provide certainty to resource users so that they can plan ahead with confidence. • They provide clear guidance for processing resource consents, thereby avoiding ad-hoc decisions. 	<ul style="list-style-type: none"> • It can be difficult to define appropriate limits and targets across different types of water bodies with different characteristics and values. • Limits and targets can reduce the discretion the Council has when processing resource consents on a case by case basis. • First come, first served.

Non- Regulatory Methods

- (b) A range of Other Methods can be utilised, e.g. community education and promotion initiatives to implement the objectives.

Benefits/Advantages	Costs/Disadvantages
<ul style="list-style-type: none"> • Can result in a change of awareness in a greater proportion of the community e.g. community education and promotion initiatives. • Less opposition from resource users. 	<ul style="list-style-type: none"> • Subject to LTP process and annual budgets. • Historically have had limited effectiveness in achieving desired environmental outcomes. • No certainty that necessary freshwater objectives and associated water quality standards will be achieved. • No certainty for resource users (in terms of allowable levels of discharges or water takes).

Recommended Method

- (c) The setting of freshwater objectives, limits and targets in a regulatory framework as this provides certainty that freshwater objectives will be met (as is required under the NPSFM) while also providing certainty to resource users. However, complimentary non-regulatory methods should also be used, particularly where it is necessary to alter community awareness or practice (such as reducing the littering of streams in

urban areas) or where changes to existing lawful land use activities are required (such as fencing streams in rural areas).

ⁱ The regional functions include sections 30(1)(a), (c) and (g) and 59 of the RMA, and section 31(a) for territorial authorities in integrated management of the effects of land use.

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